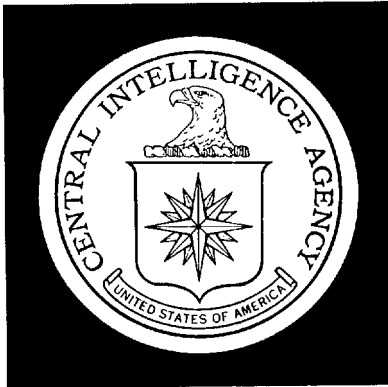


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DIRECTORATE OF
INTELLIGENCE

WEEKLY SUMMARY

USAID review completed

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FAR EAST

Cambodia: *To the Rescue*

South Vietnamese forces have moved deep into the southwest to revive Phnom Penh's stalled campaign to reopen Route 4. The inability of the Cambodian Army (FANK) to break the Communists' hold over stretches of the strategic highway has caused petroleum stocks in Phnom Penh to dwindle rapidly.

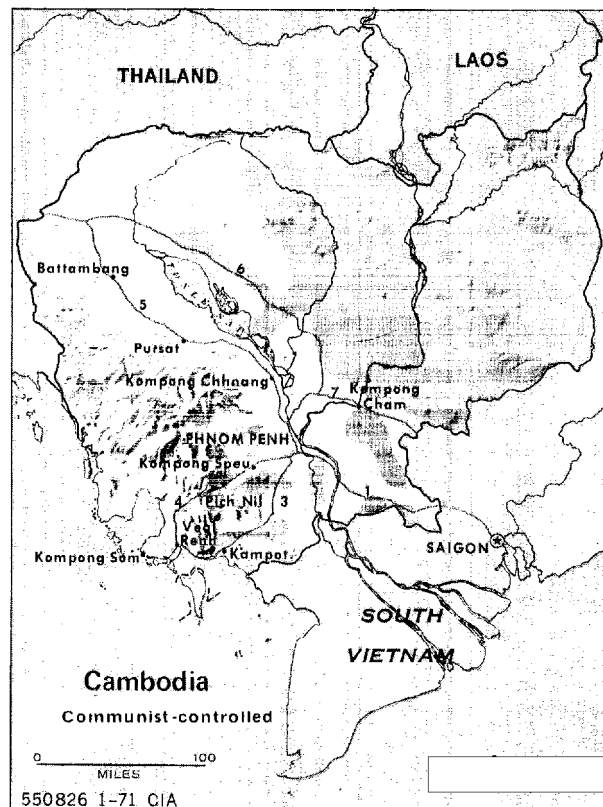
Two separate South Vietnamese Army (ARVN) task forces went into action at midweek and began a two-pronged drive on the enemy-controlled Pich Nil pass area on Route 4. The first group consists of three Marine battalions, supported by one artillery battalion and some FANK units. It met no opposition as it advanced to within ten miles of the north side of the pass. At the same time, a second and larger task force in Kampot Province began pushing toward the southern approaches to the pass. This contingent is composed of a number of South Vietnamese armored, ranger, and artillery battalions, as well as five FANK battalions. Lead elements of this force claimed they killed 30 Communists in their initial contact with enemy troops north of Veal Renh.

This is the second time in the past month that ARVN forces have been called in to help clear a major highway. If the Communists hold to past tactics, they will not seriously contest this operation, preferring to husband their resources in the expectation that the ARVN will eventually withdraw.

The reopening of Route 4 can come none too soon. With the government's only refinery at Kompong Som cut off for the past two months, a serious shortage of civilian stocks of fuel oil and kerosene has developed in Phnom Penh. The re-

gime apparently will restrict the use of petroleum products to ensure the operation of electrical generating plants and other essential facilities, pending the arrival of fresh supplies. Military stocks contain a two-week supply of aviation gas and about one-month's supply of gasoline for vehicles.

Although the major oil companies recently have been making emergency deliveries from Saigon to Phnom Penh by river, it remains to be seen whether crews and ship owners can be persuaded to risk further runs up the Mekong in view of recent heavy Communist attacks. They may be



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reassured, however, if plans are carried out to increase air support for future river convoys and to mount intensified ARVN-FANK ground operations along the river banks. Overland resupply efforts from Saigon via Route 1 are also contemplated, but it is not likely that enough can be moved in the near future because of the shortage of tanker trucks and the continuing security problem along the road. Although such contingency plans should be able to meet Phnom Penh's basic needs, the shortages will make the war more immediately felt in the capital.

In addition to their steady harassment of scattered Cambodian positions near Route 4, the Communists have simultaneously kept up the pressure on several other main roads. Enemy attacks and mines inflicted moderate casualties on government soldiers operating on Routes 6 and 7 in western Kompong Cham province.

The use of Route 5 has become increasingly dangerous because of enemy attacks between Bat-

tambang city and areas south of Kompong Chhnang city. One portion of Route 5, in western Pursat Province, is now impassable to all but light traffic. The Communists are clearly trying to disrupt the movement of rice from the northwest to Phnom Penh.

Press Censorship to Ease

The government has taken a prudent political step by agreeing to abrogate a controversial decree calling for prior censorship of all newspaper articles and editorials. The censorship decree, which was in part intended to stop critical stories about the mistakes of ARVN troops, ran into stiff opposition from the press, students, and intellectuals. The regime's willingness to soften its stand should reassure these elements, but it may be politically embarrassing to Deputy Prime Minister Matak, its architect.

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Laos: *A Victory in the South*

The action has picked up in south Laos with enemy attacks against recently strengthened government positions in both the northern and eastern areas of the Bolovens Plateau. The Communists suffered one of the heaviest setbacks in some time, however, as freshly introduced guerrilla forces took the measure of North Vietnamese veterans.

The Communists threw an estimated three battalions against two newly deployed irregular battalions near Ban Houay Sai north of Paksong. The attack was beaten back with the support of tactical air. Only one irregular was killed, while

136 enemy bodies were found. The attack may have been carried out by elements of the North Vietnamese Army 9th Regiment, which moved onto the northern portion of the plateau last month.

This action could have been designed to test the combat effectiveness of the new government troops at Ban Houay Sai. The size of the assault force, however, suggests that the Communists may intend to press southward. Their objective presumably would be either to threaten Paksong in the expectation that the government would pull back from bases along the eastern rim of the plateau or to attack those bases from the west.

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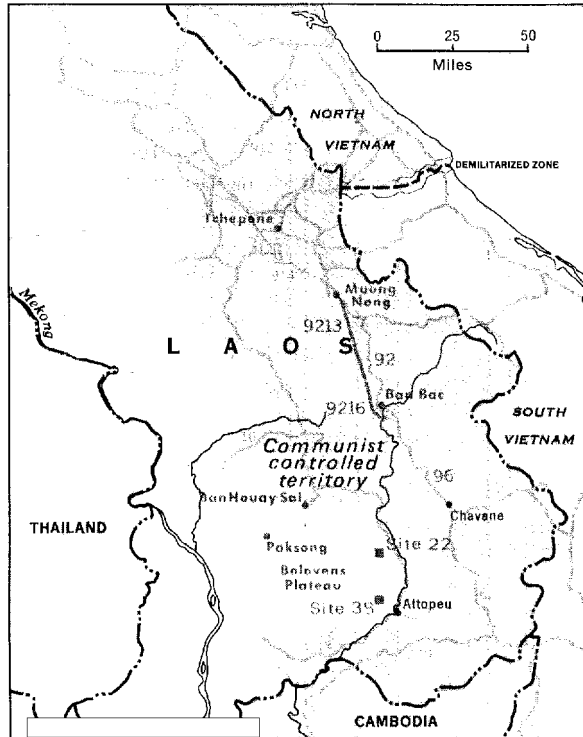
The government made some fresh gains on the eastern edge of the plateau last weekend. Two irregular battalions moved back into Site 38, a large base that fell to the Communists in late November. Government troops regained the position without a fight, but continuing enemy probes suggest that the North Vietnamese may try to prevent the government from re-establishing the base. The government also retook several other smaller positions on the southern and eastern edges of the plateau. The Communists continued their harassing attacks on Site 22, the last major government base in the area.

New Operation Launched

A new government harassing operation has been launched against the Ho Chi Minh trail.

Four government irregular battalions plus three special-action teams and an intelligence team were airlifted on 12 January into an area about 15 miles south of Muong Nong and five miles east of Route 9213 in eastern Savannakhet Province. They hope to interdict this newly completed road—an alternate to heavily bombed sections of routes 92 and 96—as well as to destroy enemy supply depots and installations in the area.

So far, government forces have encountered no enemy resistance. Heavy truck traffic has been spotted on Route 9213, however, and the government troops were able to call in US air strikes. This operation is the government's farthest eastward interdiction effort in this area in recent years, and the third major effort in the heart of



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the Communist infiltration corridor this dry season. One earlier operation managed to get into the Communist supply center at Tchepone for three days, while a second, in the Ban Bac area, ran into heavy resistance in its attempt to harass Route 96.

The Communists are likely to react vigorously to the government operation. There are, however, no known major Communist combat units in the immediate area, and a significant counterattack may be slow to develop.

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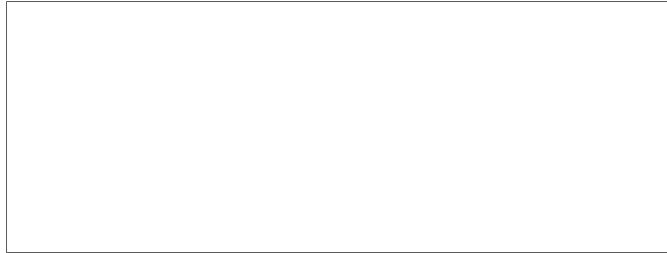
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Vietnam: *An Eye on the Elections*

Although the deployment of some Communist units back to South Vietnam, reported last week, means that enemy military activity is likely to be more intense and may include attacks in battalion strength, most reports suggest that the Communists will continue to emphasize the generally low-key tactics they have used for well over a year. The enemy is putting heavy stress on political agitation and subversion, and is diverting valuable personnel for such nonmilitary tasks.



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Inflation Slows

End-of-the-year figures provide good evidence that the South Vietnamese Government's economic policies are helping to slow down the inflation that had become serious enough last spring to spark significant unrest against the government, particularly among salaried military and civil service personnel. Initial reports indicate that retail prices rose 30 percent in 1970, but according to USAID's retail price index, the increase was only five percent during the second half of 1970. If this rate could be maintained and prices rose at an annual rate of only ten percent, inflation would be held to a level tolerable for most South Vietnamese.

Several factors contributed to the improvement. A very good rice crop helped keep the price of food down. Moreover, reforms affecting the rate of exchange and other official requirements for importing commodities had helped stabilize the price of imported goods by early last fall. As a result, a substantial pay raise for government employees did not produce any significant increase in prices.

This is one more sign that the enemy is keeping a close eye on this year's elections and is hoping to exploit any rise in antigovernment sentiment. Although the Communists at this point still seem to have only a limited capability to manipulate the political process in most areas, several authoritative enemy statements since last fall have suggested that Hanoi is counting rather heavily on gaining some advantage from political developments in South Vietnam this year. As a result, Communist officers in many parts of the country have received similar instructions to develop the political struggle.

Some Changes in the Provinces

President Thieu is replacing more province chiefs, presumably to strengthen his political support for next fall's elections. New chiefs are slated for Go Cong, Long Khanh, Gia Dinh, Hau Nghia, and Long An provinces.

As President Thieu looks ahead to the presidential elections, he will try to ensure that these recent gains are not lost in a new wave of inflation. The high cost of the war, land reform, and veterans' benefits, however, are likely to cause continued inflationary pressures, and it will be difficult to hold the annual rate of price increases to ten percent.

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Singapore: *Five Power Defense Meeting Concludes*

A working-level meeting of the Five Power Defense Arrangement, composed of Singapore, Malaysia, Australia, New Zealand, and the UK, was concluded in Singapore on 8 January. Little was accomplished during the session except that it broadly outlined terms under which the Arrangement will replace the Anglo-Malaysian Defense Agreement.

Relations between the two Asian states are the thorniest problem to be resolved in Five Power planning. Both Kuala Lumpur and Singapore are not only at odds over various bilateral problems, but they are also suspicious of the degree of commitment on the part of the other members of the group. During the meeting, however, both Malaysia and Singapore seemed to bend over backward to avoid a clash in front of their non-Asian colleagues.

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At present, the Arrangement is a very limited one.

[REDACTED] 25X6

Up to this point, however, the five have arrived only at a loose agreement to hold periodic meetings, and to consult should either Malaysia or Singapore be threatened. Such consultations, however, are unlikely because of the absence of an external threat to Malaysia and Singapore.

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Thus, there may be little Five Power integration outside of the technical aspects of air defense.

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Another meeting, this at a ministerial level, will be held in April. Plans for joint exercises and other token signs of cooperation will probably be raised at that time.

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EUROPE

Soviet-US Relations Strained

Although there have been no reprisals against US Embassy officers in the USSR since 10 January, the character of Soviet harassment and the seriousness of Moscow's grievances over anti-Soviet demonstrations in the US indicate that the Soviets will try more drastic counteraction if demonstrations continue.

Foreign Minister Gromyko delivered a very strong official protest of anti-Soviet demonstrations in the US to Ambassador Beam on 8 January,

and he accused Washington of failing to take the necessary measures to stop them. His remarks presaged a weekend of reprisals against American diplomats, journalists, and businessmen, which represented Moscow's answer to the bombing of the Soviet Embassy's information and commercial offices in Washington on the eighth. Gromyko also warned, however, that if the US did not ensure safe conditions for Soviet officials, the Soviet people might do something that the US would "not want and may not expect."

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Private remarks of Soviet officials suggest that Moscow seriously believes the US could halt these anti-Soviet demonstrations if it so desired. The USSR wants a stop put to the destruction of its property and to the intimidation of its officials, and is especially annoyed that no demonstrator has yet been prosecuted. The chief of the Foreign Ministry's USA section, who was the Soviet rapporteur during Gromyko's session with Beam, mentioned this fact, and a Soviet journalist explained to the US cultural counselor that it is the absence of prosecutions that has really aroused Soviet feelings. Moreover, the Soviets now realize that commuting the death sentences of the Leningrad Jews only gave the Jewish Defense League (JDL), the militant Zionist organization apparently responsible for the violence, cause to step up its activities.

This is not the first time that the Soviets have warned the US to take a more active role in stopping the activities of the JDL, although their previous efforts were delivered in lower key. As far back as 29 August, the government newspaper *Izvestia* warned that Soviet-American relations would suffer in the event of further JDL "provocation," and on 1 October—the Jewish New Year—a Soviet Government statement protested the "inaction of the American authorities" against the "unbridled anti-Soviet campaign" by

"Zionist organizations." Again, the Soviets warned that such inaction would have "unfavorable consequences" for relations between the two sides. Ambassador Dobrynin's protest on 4 January also raised the specter of retaliation against US establishments in the Soviet Union.

Despite the reprisals and sharp accusations, however, the Soviets have made no attempt to interfere with any upcoming US-USSR discussions. Moreover, Soviet press reporting of the incidents has been strictly factual. With the exception of Ambassador Dobrynin's return to the USSR on 10 January "for a brief period," the only Soviet political gesture against the demonstrations in the US has been the cancellation of this year's US tour by the Bolshoi opera and ballet theater. Even this cancellation may have had as much to do with several recent defections of Soviet performing artists as with the actions of the JDL. Meanwhile, bilateral discussions are still scheduled regarding the Law of the Sea, cultural exchange, and fishing rights. Nevertheless, further anti-Soviet demonstrations in the US may convince the Soviets that more drastic action is called for, and in that case Moscow may decide to postpone talks in some of these areas.

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USSR-BERLIN: Selected allied military vehicles were halted on the Berlin-Helmstedt autobahn on 11-12 January as a result of Allied failure to accept Soviet demands for changes in presently used travel documentation. The detained vehicles were finally permitted to proceed late on 12 January, but the Soviets continue to maintain

that the altered documentation will be required in the future. This action may have been intended to demonstrate the "reality" of Soviet control over land-access routes to Berlin prior to the resumption of four power talks the next day and to test Allied readiness to accept minor alterations in established procedures.

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Soviet Economic Reform Ends Not with a Bang but a Whimper

The Soviets have noted that the economic reform "is essentially complete," but enterprises that produce more than six percent of all industrial output still are not included. There has been a general decline in enthusiasm for the reform as well as dissatisfaction with its results. Attention now seems to be turning to more specific economic experiments, especially in the field of management and administration, but even here the leadership does not appear united on an approach.

The economic reform, promulgated by Premier Kosygin at the plenum in September 1965, was originally scheduled to be introduced in the industrial sector during 1966-68. The completion date was delayed several times, but in March 1970 Gosplan deputy chairman Bachurin promised that "within this year all industrial enterprises in the country will be switched to the new system." The Soviet press recently admitted that this goal was not fulfilled. By the end of 1970, 42,000 enterprises, representing 86 percent of the total number of industrial enterprises and employing 92 percent of the industrial work force, were working under the reform. The failure to maintain the timetable apparently stemmed from ministerial foot-dragging and difficulties in converting small and unprofitable enterprises to the new conditions.

The main features of the 1965 reform—reduction in the number of economic indicators set from above, greater emphasis on profitability and sales, and expansion of decentralized investment—were heralded as devices to give enterprise directors more freedom and the workers more incentive to raise output. A failure to change the basic operating principles of the Soviet economy, however, seriously limited any chance for success.

To be effective, the reform should have been accompanied by more rational and flexible prices, less central control over the allocation of materials, and relief from the chronic shortage of most materials. The leadership has given no indication that the radical changes necessary will be introduced.

Another unfulfilled objective of the reform is to raise efficiency by accelerating the introduction of new technology. The leadership attaches great importance to achieving this goal because of the USSR's large technological lag behind the West. The regime apparently has not decided on any grand new strategy for dealing with the reform problem in general but instead is tolerating experimentation with the present administrative apparatus and principles of management. A hint that it is taking such an approach is evident in Finance Minister Garbuzov's speech to the Supreme Soviet meeting in December. He mentioned the reform only briefly but advocated a wider adoption of two innovations—the Shchekino experiment and production associations.

The Shchekino experiment attempts to increase labor productivity by dismissing surplus workers. The total wage fund remains unchanged, and the wages of the fired workers are distributed among those remaining. The production associations, called by some economists a second stage of the reform, are designed to reap the benefits of large-scale production. They combine enterprises into a conglomerate under one director. Their advocates claim that such associations will be able to use new technology more effectively, especially when they include research institutes. Controversy surrounding these measures, presumably extending to the top leaders, continues to hamper their widespread introduction.

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YUGOSLAVIA: Under the watchful eye of President Tito, the coordinating commission of the Federal Assembly is working out the final draft of Yugoslavia's pending constitutional changes. In an effort to avoid unnecessary bickering and to meet a 26 January deadline, the deliberations, which began earlier this week, are taking place at Tito's Brioni Island retreat, where he is currently "vacationing."

When completed, the amendments that deal with the proposed collective presidency and the "new" relationship between the federation and the republics will be submitted to the Assembly for dissemination and debate. Final Assembly approval and adoption will take place by 17 April, and will be effective one month later, when President Tito's current term expires. [REDACTED]

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Poland's New Team Active at Home and Abroad

The Gierek regime is moving rapidly to re-examine past domestic policy shortcomings and to deal with still-recalcitrant workers in a new and open style. This self-examination, results of which have been promised to a central committee plenum later this month, will have to produce a theoretical explanation of how and why economically aggrieved workers succeeded in overthrowing the leadership of a "workers state." This question probably is disturbing to all ruling Communists. At the same time, the new regime is reassuring both its Warsaw Pact allies and the West that Poland's present foreign policies will be continued.

Unusually frank and often heated exchanges between workers and party functionaries characterized a flurry of local party meetings this week. These meetings underscore Gierek's commitment to re-establish the communication, rapport, and confidence lost by the Gomulka regime. Along the Baltic coast, party discussions are still largely devoted to healing lingering bitterness. Sit-down work stoppages apparently continue in some establishments in the area, but so far Gierek apparently has not acceded to reported demands by the workers for the release of their arrested colleagues and he has made no personal appearance to hear their grievances. Gierek and his

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spokesmen have also been holding meetings with representatives of various nonparty organizations and special interest groups.

The new party boss must seek the middle ground of encouraging popular participation while demonstrating strong party control over the flow of events. His problems are the same as those faced by his predecessor, but he must show that pragmatic leadership can sell even unpopular policies. It is the unresponsive style of rule under Gomulka that is likely to be singled out at the plenum for most of the blame for the "December events." Denunciation of specific personalities, including Gomulka himself, cannot be ruled out, but journalists reportedly have been instructed to avoid personal references to the old leadership for the time being.

In foreign policy, Gierek has clearly assigned priority to establishing the credentials of his new

team in the Soviet orbit. Following their initial trip to Moscow earlier this month, Gierek and Premier Jaroszewicz visited East Germany this week to underscore the importance they place on Warsaw's ties with Pankow and to try to remove some of the political and economic friction long plaguing Polish - East German relations. Ranking party emissaries have also been sent to touch base with Poland's other East European allies.

High Polish officials are resuming contacts with their opposite numbers in the West; Deputy Foreign Minister Winiewicz has predicted that, unlike the austere Gomulka, Gierek will soon be prepared to meet with foreign diplomatic representatives. Poland has expressed an interest in improving relations with the US specifically, especially in the economic area. There are also signs pointing toward a dialogue with the Vatican, which would meet with a warm popular response in Poland.

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MIDDLE EAST - AFRICA

MIDDLE EAST: UN mediator Jarring's statement that his meetings with Israeli Premier Meir and Foreign Minister Eban in Jerusalem last week were "productive" keeps alive at least a faint glimmer of hope for continuing talks. Jarring received proposals from the Israelis that appear to have allowed for no concessions on Israel's basic requirements for security. Jarring is now seeking

Cairo's views on the Israeli positions, and it seems likely that he will receive similarly inflexible initial counterproposals from that side. Cairo, whose recent statements have shown no movement from its previous demands, may feel compelled to seek a Security Council meeting on the matter.

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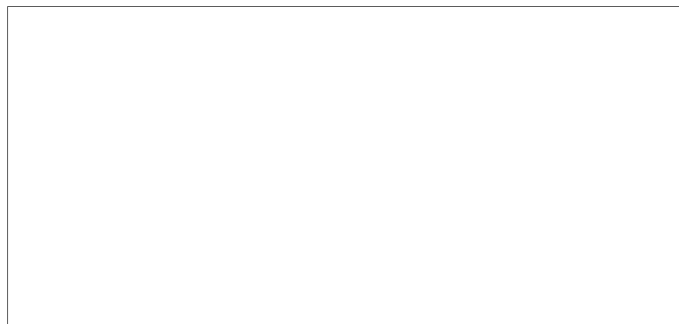
Syria Under Asad

Most on-the-scene observers of Syrian politics cautiously conclude that Prime Minister Asad's new regime is taking a fair hold, is working toward eventual closer relations with the West, and has started a trend toward an "easier" life for Syrians that will be hard to reverse.

The US Embassy in Beirut asserts that visitors from Syria report public approval of Asad's "provisional" leadership as well as a general expectation of better things to come. One embassy source says that Asad is initiating policy rather than allowing circumstances to dictate a Syrian reaction. This same source believes that Asad's real aim in foreign policy is positive neutrality between East and West. Nevertheless, the essential relationship with the Soviets will not be changed and any move toward the West will be cautious, with the first step possibly a toning down of anti-Western propaganda attacks. Any dramatic new development in the Arab-Israeli dispute, however, could quickly lay such plans to rest.



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At the same time, the prime minister almost certainly has not heard the last from his Baath party enemies. He probably has some selling to do among the doctrinaire party members before the convening of a Syrian regional party congress to install a "permanent" party leadership. His opponents will be plotting to prevent any complete take-over of the party machinery by the Asadists and will be exerting every effort to remove him from his present position.

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EGYPT: Egyptian officials this week engaged in talks with Soviet President Podgorny, who was in Cairo for the formal dedication ceremonies of the Aswan high dam. Podgorny's five-day visit included not only formal appearances but, according to Egyptian radio, "important discussions...on the Middle East situation and the bolstering of unilateral relations." Egyptian leaders have also

been preparing for the convocation on 20 January of the next periodic summit meeting of the leaders of Egypt, Libya, and the Sudan. Syrian officials will attend the summit for the first time since Damascus announced its intention to join the embryonic alliance in late November.

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India: Electoral Developments

The week-old electoral coalition seeking to challenge Prime Minister Gandhi in the March elections now includes four of the principal anti-administration parties. On 8 January, the pro-free enterprise Swatantra Party, India's second largest opposition group, joined the two other right-of-center and the one leftist party that had formed the original coalition. These four parties, which held a total of 150 of the 523 seats in the recently dissolved lower house of parliament, intend to support a single, agreed candidate in each constituency.

Meanwhile, the pro-Soviet Communist Party of India (CPI) has accused Mrs. Gandhi's Ruling Congress Party of adopting a "high and mighty attitude" by refusing to form an electoral alliance with the CPI and other leftist forces. The CPI—a frequent supporter of Mrs. Gandhi's government in the last parliament—had earlier called for such a move, but Mrs. Gandhi subsequently declared that her party would form no country-wide alliances and would run its own candidates for all 520 elective seats. Her position, however, does not preclude ad hoc cooperation in individual contests, and the CPI may still be hoping for such a development. There is also a strong possibility that the Ruling Congress will make cooperative electoral arrangements on the state and local level with regional parties and with the more moderate of India's two socialist parties.

The government has taken several steps to strengthen its position in the border state of Kashmir. It has declared the opposition Plebiscite Front illegal and has ordered Sheikh Abdullah, long-time leader of the Front, and two of his chief lieutenants to remain outside the state until after the elections. At least 350 of the Front's supporters reportedly have been arrested. The Front advocates giving Kashmiris a choice between independence, remaining with India, or joining Pakistan, and would probably make a strong showing if allowed to contest the elections freely. This would embarrass New Delhi, however, which regards the inclusion of Kashmir in India as a settled, nonnegotiable matter.

As the campaign gets under way, the objective of the Ruling Congress is to obtain an absolute majority in the new parliament, which would require a gain of at least 34 seats. The party's prospects are bolstered by Mrs. Gandhi's nationwide popularity, based on her image as a strong-willed progressive, and by the party's financial strength. On the other hand, the party will be hindered by its organizational weakness on the local level in several important states. The outcome would seem to hinge on the degree to which Mrs. Gandhi can succeed in appealing to the people over the heads of traditional, locally dominant groups.

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ETHIOPIA: Addis Ababa is attempting to improve the counterinsurgency effort in Eritrea, which has lagged since martial law was imposed there nearly a month ago. Former governor-general Asrate Kassa, an opponent of the emergency measures, has been replaced by army commander Debebe. General Debebe should be able to bring local commanders—who have tended to act independently and sometimes at cross-purposes—

back into line, and a more effective campaign against the rebel Eritrean Liberation Front (ELF) should follow. This may keep the ELF off balance, but it is unlikely to suppress the rebellion or to stop the infiltration of arms to scattered ELF bands. Moreover, indiscriminate and heavy-handed security measures are already antagonizing Eritreans not now sympathetic to the ELF.

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Jordan: *This Week, the Stick*

The relative peace that had prevailed in Jordan since September was broken last week by renewed fighting. A widespread lack of discipline among the fedayeen triggered the subsequent train of events; commando leaders were unable to control radical activist groups, such as the Ahmad Jabril organization, which have sought independence and notoriety through acts of pointless terrorism. Army leaders, seizing on fedayeen banditry near Jarash and sabotage plots in Rusayfah as pretexts, set in motion large-scale military operations in both areas on 8 January.

The combat area soon spread to the hills west of the Amman-Jarash road and, by 11 September, to Amman itself. Rusayfah was purged in a day, but the other army operations in the north continued, as did clashes in Amman. On 14 January, a second cease-fire was announced after an earlier one had failed. It now remains for commando leaders to convince troublemakers that they must accept normal discipline; otherwise, the entire movement could be forced into another general and probably unequal confrontation with the revamped Jordanian Army.

The current round of fighting was welcomed by the army, which has adopted the hard-nosed policy of cracking down on the fedayeen whenever feasible. [REDACTED]

[REDACTED] It has aimed at dislodging the fedayeen from tactical strongpoints in the countryside, where army operations receive minimum publicity while obtaining maximum advantage from tanks and artillery firepower.

The fedayeen, on the other hand, have remained weak and disorganized since September.

Their leaders did not seek an all-out armed contest, and Jordanian authorities believe that internal Palestinian politics are responsible for the current rash actions of a few hundred commando diehards. The chief weapon of the fedayeen now is their highly efficient propaganda machine, which is usually able to rally Arab propagandists abroad. [REDACTED]

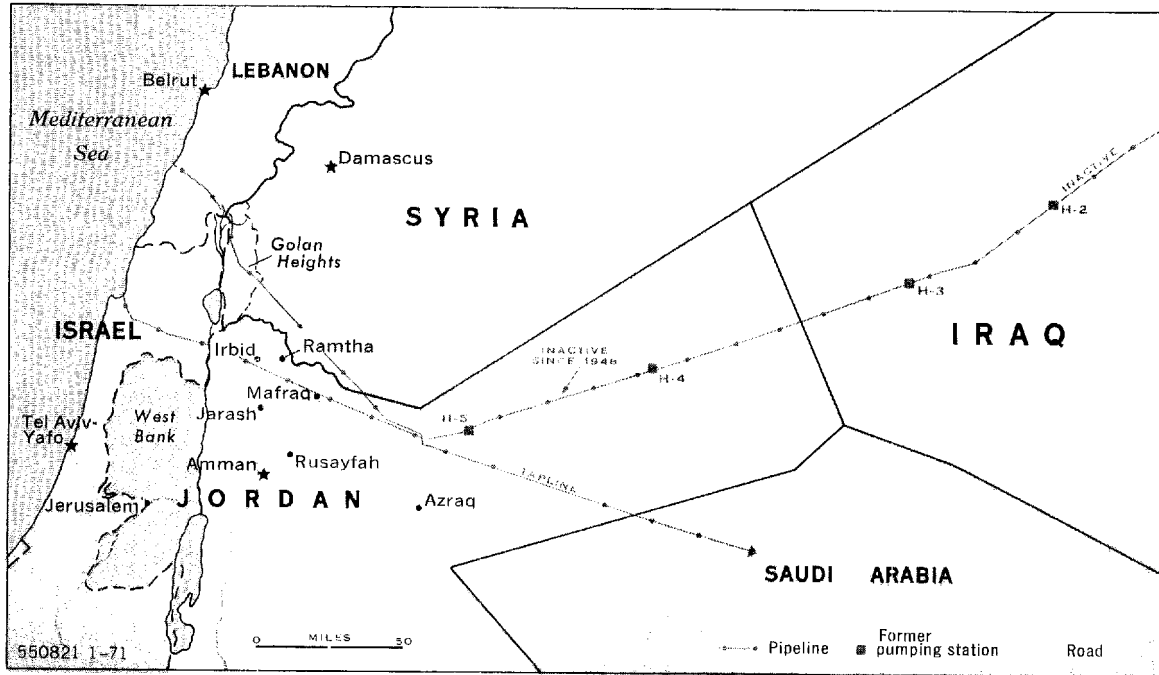
[REDACTED] The machine was cranked up to a high pitch following the army's initial successes. The resultant hue and cry inspired President Sadat's call for an Arab meeting in Amman (which has not materialized) and Kuwait's move to suspend once again its \$39-million annual subsidy to Jordan.

In Amman, clashes proliferated on 11 January, and continued the following day as a new cease-fire was ignored. [REDACTED]

[REDACTED] The fedayeen leaders clearly recognize that the actions of the diehard few threaten the immediate future of the entire Palestinian military organization in Jordan. If they and the government cannot get this point over to the maverick organizations and to the hard-core terrorists, the stage will be set for the army—this time with the full backing of the regime—to move against the remaining fedayeen strongpoints in the capital and to reduce the Palestinian contingents in the countryside to the level of roving bandits. [REDACTED]

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Iraqi Forces Leaving Jordan

Iraqi troop levels in Jordan are down to somewhat less than 10,000 from a high of some 25,000 in the fall of 1970 and apparently are continuing to decline. Following the Jordanian civil war last September, King Husayn demanded that Iraq get its troops out of his country or place them under Jordanian command. The Eastern Arab Command had been dissolved and the King contended there was no longer any reason for Baghdad to have armed forces in Jordan. Although Iraq publicly refused to comply with the King's demands, Baghdad apparently began to call

its troops back in early November. By mid-December the Iraqis had evacuated Azraq Air Base, the airfield used by Iraqi forces. Jordanian forces immediately occupied the base with the intention of staying permanently.

The Iraqi troop withdrawals, however, seem only indirectly related to the King's demands. Baghdad's decision probably has more to do with its fear that the Jordanian Army might move against the Iraqi troops, the low morale of Iraqi

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troops, and renewed concern in Baghdad over increased activities by the Kurds in northern Iraq. Whatever the cause, a diminished Iraqi presence is much to King Husayn's advantage.

Although the Iraqis did not openly intervene in the Jordanian civil war last September, the threat of that possibility hung heavily over the Jordanian Army during its attempts to battle both the fedayeen and the Syrian invasion.

Not the least of the King's present concerns, therefore, is to stabilize his own position by pressing for a continued reduction of the Iraqi troop levels, particularly while the Jordanian Army is still battling the fedayeen.

A decrease in the Iraqi forces much beyond the present level, however, would make any meaningful military intervention by Baghdad in Jordanian affairs in the future rather difficult. Any uninvited military entrance into Jordan subsequent to such a reduction in its forces would trigger retaliation by the Jordanian Army, a force the Iraqis are presently in no position to challenge alone. Despite these considerations, as well as the urgings of both Egypt and Syria that Baghdad halt the withdrawals, Iraqi troops continue to leave Jordan. Baghdad, however, may stop short of a complete withdrawal and leave at least a token force positioned not far from Mafrag, if only to maintain Iraq's anti-Israeli credentials in Arab councils. The Iraqi troops still in Jordan seem to be spread out between Mafrag and H-4.

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Greece: *Papadopoulos Proclaims Primacy*

For the past four months, Prime Minister Papadopoulos has been attempting to outmaneuver those of his colleagues who have objected to his penchant for making unilateral decisions, and he now appears to have succeeded.

Papadopoulos' statements during the holiday period—when he publicly proclaimed his pre-eminence over his revolutionary associates—seem to imply that he no longer sees any serious threat to his position.

Additionally, he announced a moratorium on further implementation of the constitution during 1971. The moratorium was probably meant to assuage the fears of those members of his regime who are disturbed by the prospect of ending martial law, allowing the King to return, and holding general elections. The accomplishment of any one of these steps would greatly

endanger the influence these men have enjoyed as a result of their role in the 1967 coup. It seems unlikely that the prime minister's partners will challenge his declaration that he alone would decide when the time had come to end the moratorium and to make any changes in the form of his regime, as long as he abides by his promise to keep the constitution dangling for another year.

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At the same time, Papadopoulos seems intent on presenting to Greece's allies the image of a stable government in the turbulent eastern Mediterranean area. Although his success in blunting domestic criticism may enhance this image somewhat, the regime's reluctance to return to democratic rule will almost certainly increase the activities—if not the effectiveness—of opposition groups abroad.

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Persian Gulf

The complexity of the situation in the Persian Gulf is frustrating attempts to ensure the security of the area, and no speedy solutions are in sight.

In January 1968, then Prime Minister Wilson announced that Great Britain, as part of its policy of reducing commitments east of Suez, would terminate its political and military relationships with nine Persian Gulf sheikhdoms by the end of 1971. The election victory of the Conservatives in mid-1970 has led to a review of that decision, but it is improbable that it will be fundamentally altered. As yet, no alternative to the stabilizing influence of the British presence in the gulf has been found, and several territorial disputes could provide opportunities for exploitation by radical Arab movements.

Plans for a nine-member federation of Arab amirates, promoted by the UK, have apparently collapsed because of bickering over the location of a capital and representation in a legislative council. The small, lower gulf sheikhdoms fear domination by more populous and sophisticated Bahrain, which is expected eventually to proclaim its independence and to seek UN membership.

Some support for a seven-member federation of the Trucial States has been voiced, but traditional rivalries among their ruling families appear to have doomed this proposal. Nevertheless, a

joint Saudi Arabian - Kuwait delegation will tour the lower gulf this month, urging formation of such a union. The Saudis and Kuwaitis fear that unless a federation is created, the tiny sheikhdoms will be subverted by radical Arab elements. Saudi Arabia's ability to act as sponsor and protector of any federation of gulf amirates is seriously impaired, however, by its 30-year border dispute with Abu Dhabi, currently involving control of the Buraimi oasis and the newly discovered Zarrarah oil field.

Iran, which hopes to become the dominant Persian Gulf power, is embroiled in a dispute with two sheikhdoms over ownership of several small islands. Fearful that Great Britain's departure will generate leftist coups in the area, Iran is eager to establish a military presence on the islands, which it considers essential to its national security. Tehran has threatened to seize the islands and to oppose the creation of any gulf federation unless the issue is resolved to its satisfaction. Military action by Iran would make Arab-Iranian cooperation in the gulf very difficult. Iran has sought the assistance of the British and Saudis in reaching an agreement with the two sheikhdoms, but neither Great Britain nor Saudi Arabia wishes to provoke an accusation by radical Arabs that it is encouraging the bartering away of Arab territory. [REDACTED]

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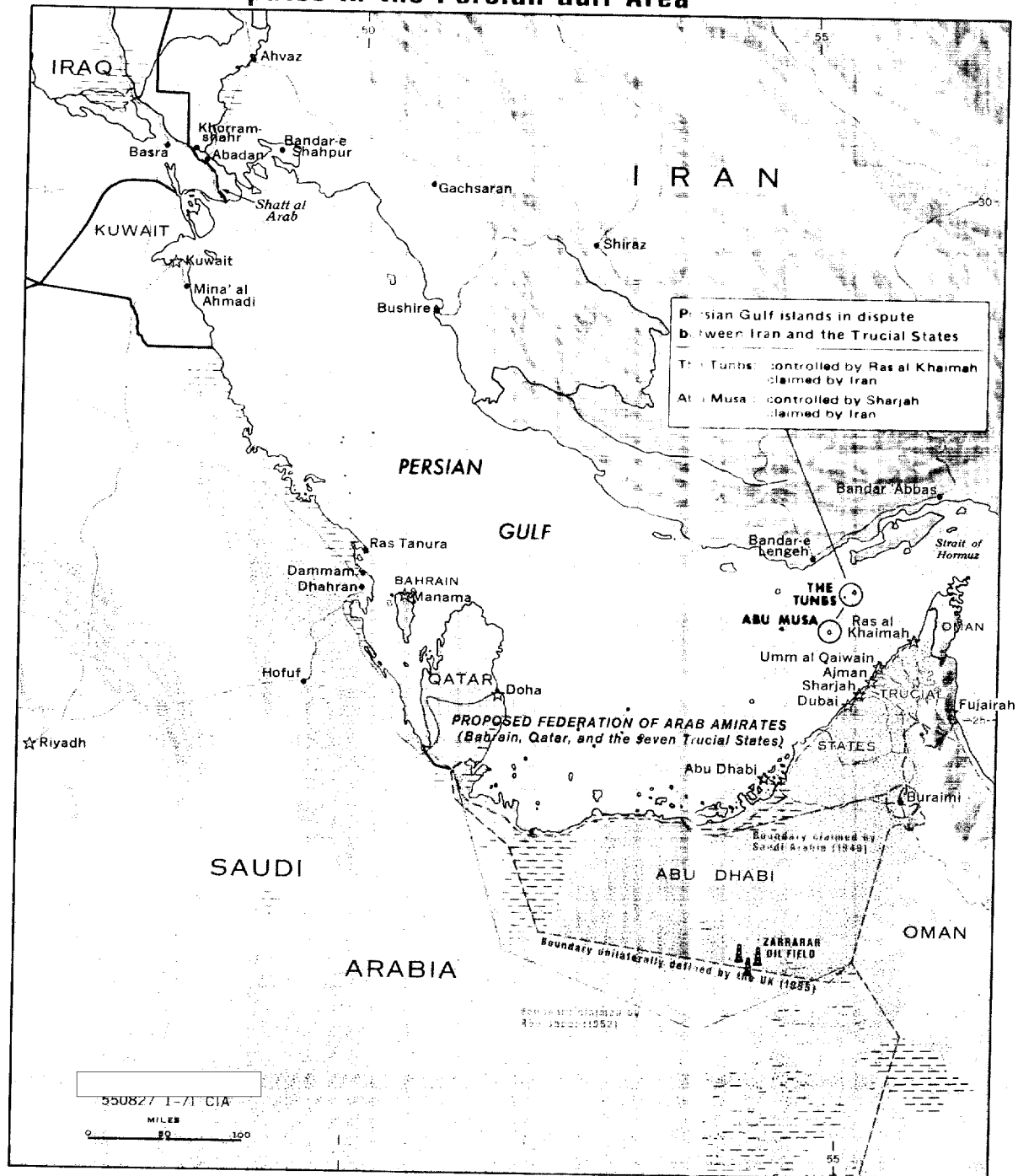
TURKEY: Tighter security precautions and President Sunay's personal initiative to find a solution to Turkey's urgent problems apparently have brought a temporary lull to student unrest and mounting political storms. Leaders of the divergent internal forces are now awaiting the outcome of Sunay's current talks with top political, academic, and labor figures as well as of the National Security Council meeting scheduled for 22 Janu-

ary and the ensuing presidential report to the nation. Thus far, these widely publicized talks appear to have produced little more than a reiteration of differing views. [REDACTED]

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Territorial Disputes in the Persian Gulf Area



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WESTERN HEMISPHERE

Chilean Developments

Economic

As a further step in the complete nationalization of US copper interests in Chile, the Allende government plans to assume control by 1 April of world-wide sales by the companies it already owns jointly with Anaconda. This move indicates that the administration expects its constitutional amendments—with ramifications far beyond the brusque acceleration of copper nationalization—to be enacted by Congress in the next few months. Most of these copper sales are in Western Europe and the Far East, with only about 12 percent to the US.

This is one of several recent indications that Chile intends to take a more aggressive role to direct and diversify its international economic relations. One major benefit that officials expect from the recent establishment of relations with Communist China is a substantial increase in direct sales of copper as well as of Chile's excess supply of natural fertilizers. A \$42-million Soviet credit, unused in the four years since it was negotiated with the Frei government, will be drawn on to build a fishing port, probably at Valparaiso, according to an official announcement. In addition, commitments are being made for prompt shipments of Cuban sugar in amounts large enough to fill most of Chile's needs, displacing purchases from some of its supplier partners in the Latin American Free Trade Zone.

Political

Until recently, President Allende's rapid but smooth redirection of Chile had elicited very little open criticism. Now the two main opposition parties have begun to attack the government on specific issues such as interference in the judicial system and the growing power of the Communist

Party in labor and the economy. The deep resentment between the Christian Democratic and the conservative National parties, however, has precluded the effective coordination necessary for any successful opposition to Allende and to the governing Popular Unity (UP) coalition in the legislature and in the municipal elections to be held in April.

In two recent speeches, Allende has lashed out strongly against his opposition, charging them with a variety of sins ranging from misappropriation of bank funds to collaboration in an "international campaign" to distort the image of his administration. At the national assembly of the UP last weekend, he asserted that "antipatriotic" elements would inevitably come into conflict with the armed forces and the national police, both of whom he praises frequently as essential and loyal elements in the revolution that he is bringing Chile.

Allende's efforts to reassure the military have apparently been particularly successful in the army. One former critic, soon to be promoted to command of a division, asked a US official on 5 January how anyone in the army could criticize a Chilean president who has brought about so many needed social reforms. He added that as long as Allende "does what benefits the interests of Chile and does not break the law or try to rearrange the constitution to his own advantage," the army will support him. The officer also said that the army must be modernized along with the country without becoming involved in politics. He reiterated the hope, also expressed by other officers, that relations with the US military will remain friendly and that US equipment and training will continue to be available.

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Bolivia: *Leftist Pressure on the Government Expected to Increase*

President Torres' response to an abortive military coup has strengthened leftist hopes that the government will institute immediate radical steps.

The revolt early on 11 January, instigated by a small number of junior officers, was overcome without the use of significant force. In less than eight hours the rebels gave up their futile attempt, which had brought on none of the widespread public disturbances that surrounded former president Ovando's fall from power in October.

Torres reacted with a pre-dawn call for labor and student support. Most of the statements made by these groups did not mention backing for Torres or his government but were couched in terms of overcoming "fascism" and preventing the defeat of the "Bolivian revolution." This distinction reflected the general dissatisfaction of most of the Bolivian left with the slow pace of the government's "revolutionary" program.

Torres' speeches to two large rallies repeated some of the rhetoric he used when he seized power in October. Before several thousand miners, many of them armed, and laborers, he promised popular participation in the government and referred to the early promulgation of an unspecified "revolutionary measure." Shortly thereafter the government canceled the concession of a US-owned company that processes the wastes of government tin mines.

On Tuesday, Torres addressed a large "anti-fascist" demonstration and promised to extend the revolution "to the limits the people desire." Torres said he would begin immediate discussions with students, workers, and representatives of popular organizations to form a "popular as-

sembly" of the government. This is in line with workers' demands that the government establish a form of "popular parliament" in which students and workers could initiate decrees and oversee government operations. Torres again promised that unspecified "revolutionary measures" will be taken.

The President also said that the activities of "some international agencies" are being investigated. This statement is at least a sop to leftist demands that some US agencies be expelled from the country.

The government has moved swiftly against military officers involved in the plot and other disaffected persons. Seventeen middle-level and high-ranking officers have been removed from the armed forces, several have taken asylum in foreign embassies, and the press now is reporting more than 100 arrests. Torres' arrest list of as many as 240 persons includes many who are not known to have been involved in the current plot. The fact that no members of the moderate faction of the Nationalist Revolutionary Movement are included may mean that the government hopes to reach an accommodation with that group, perhaps by including some of its members in a new cabinet.

The support provided by the left was not crucial in the government's halting of the abortive coup. Torres' statements and actions, however, have given labor and students an exaggerated idea of their own importance and the degree to which the government depends on their support. This will probably lead to a new militancy on the part of the left. Torres, by strengthening their position and seriously weakening that of the right, is increasingly putting himself in a position where he must accept the demands of the leftists.

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Guatemala: *Some Success Against Terrorists*

Leaders of the Guatemalan Government are elated by recent successes against subversives and are optimistic about their ability to strike a decisive blow. Although past performances cast doubt on the capability of the security forces to follow up on the gains made, the authorities have clearly attained some momentum and have even tempered their earlier abrasive methods, which the general public found offensive and threatening.

Dozens of persons peripherally associated with the extreme left have been rounded up and sometimes brutally killed since the government assumed emergency powers two months ago.

acterized the security crackdown in its early stages has earned some popular approval. Last weekend, for example, all roads out of Guatemala City were sealed off while the army made intensive house-to-house searches. Even though the public was inconvenienced, the courtesy and consideration shown by the search parties drew favorable comment. Also, the removal of weapons from the residences of figures closely identified with the Arana government should ease fears in leftist circles of rightist immunity from the government's security program.

Whether the increased finesse and success of the counterterrorist activity have really done more than expand Arana's supporting constituency should become clear over the next several months. Present indications are that damage has been done and is yet to be done to the Communist Party, but that the more aggressive and irrational Rebel Armed Forces could still be in fairly healthy—and perhaps dangerous—shape. Both groups so far have continually demonstrated their ability to bring off spectacular hit-and-run terrorist acts. Nevertheless, although the insurgents retain this capability, for the first time in many years the government is hopeful of success.

The government's responsiveness to the public outcry against the abuses of authority that char-

BRAZIL: The government has flown 70 prisoners to Chile in exchange for Swiss Ambassador Bucher. The group is larger than the total of prisoners released in the three previous kidnappings of foreign officials. These are the first Brazilian prisoners to be sent to Chile; previous groups went to Mexico and Algeria. Algeria refused to accept these because Brazil would not ask that it be done "on humanitarian grounds."

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OAS to Meet on Terrorism

The third special session of the OAS General Assembly will convene in Washington on 25 January in an attempt to formulate a unified stand on terrorism in the hemisphere. The recent abductions in Brazil and Uruguay will add impetus to the deliberations.

The meeting, expected to attract the majority of Latin foreign ministers, will consider a draft proposed by the Inter-American Juridical Committee (IAJC) in an effort to put teeth into last year's OAS resolution repudiating acts of terrorism. The IAJC draft classifies certain acts of terrorism, including kidnaping, as common crimes rather than as crimes of a political nature that would exempt perpetrators from extradition. The meeting therefore will have to deal with laws on asylum—a jealously guarded and widely used right in Latin America.

Despite widespread consultation among OAS members, no consensus on the draft has yet de-

veloped, and the success of the conference remains in doubt. Some countries, such as Brazil, favor a wide-ranging resolution applicable to all crimes of terror, including acts that have only domestic aspects. Nations such as Chile and Mexico are shying away from any strongly worded resolution and might prefer no resolution at all.

Discussions in Latin American capitals still reveal a deep division on a tangential issue—policy toward Cuba. A declaration publicized this week by four Central American foreign ministers strongly supported the continuation of economic and diplomatic sanctions voted against Cuba in 1964 for its support of insurgency. The declaration apparently was issued in an effort to head off discussion of the topic by the OAS. Nonetheless, a significant number of OAS members have recently made known their feeling that at least a discussion of the subject, and perhaps an outright change in policy, is overdue.

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Tupamaros Return to the Offensive in Uruguay

The bold daylight kidnaping of the British ambassador last week was an effort by the Tupamaros to regain the initiative in their struggle against the government. As expected, however, the abduction has had no effect on the administration's long-standing refusal to negotiate. A guerrilla communiqué early this week suggested the Tupamaros are willing to persevere in their waiting game with an equally stubborn government.

The Tupamaros now hold three hostages—British Ambassador Jackson, US agronomist Fly, and Brazilian consul Gomide. The terrorists had repeatedly scaled down the major demands they

made for the release of Fly and Gomide last August but were stymied when President Pacheco refused any concessions whatsoever. In their communiqué this week, the Tupamaros finally withdrew their latest offer to release Fly and in addition made no ransom demands for the British envoy. Instead, they called upon the government to take up "the rejected road of negotiations."

The government's response has instead been typical of its stance in the half dozen previous kidnapings by the Tupamaros, dating back to mid-1968. Government spokesmen reiterated past policy; the President approved an increase in the reward for the kidnapers to \$40,000 and also,

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with congressional approval, instituted a 40-day limited state of siege. A similar extension of increased powers—permitting raids without warrants and the extended detention of suspects—was granted last August, but police were still unable to locate the hostages. This has apparently made the Tupamaros confident they can continue to elude the dragnet.

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HAITI: President Duvalier's decision to designate his son Jean-Claude as his successor has been greeted with effusive declarations of approval from military and government officials, "popular" demonstrations of support, and legislative willingness to amend the constitution to permit Jean-Claude to become president. Duvalier/

has not yet revealed how the transfer of power is to be made. Judging from the proposed amendments, Duvalier is likely to name Jean-Claude to a seat in the legislature and perhaps assign him an executive function.



Jean-Claude Duvalier
(Prior to 1969)

The speed and vigor with which the President has acted indicate that

his powers are still formidable. He can also be expected to take steps to safeguard his present position—some-what imperiled by the mere existence of succession plans—and Jean-Claude's future one.

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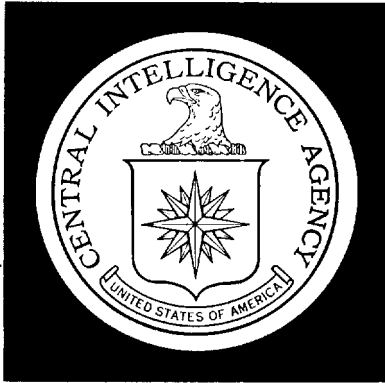
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DIRECTORATE OF
INTELLIGENCE

WEEKLY SUMMARY

Special Report

*The Macedonian Syndrome-The Chronic Crisis
In Yugoslav-Bulgarian Relations*

Secret

Nº 40

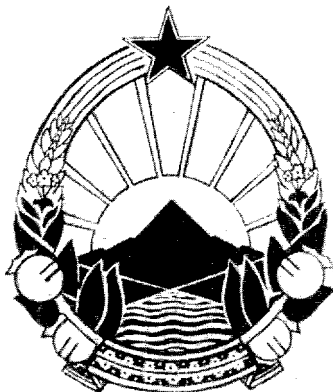
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МАКЕДОНИЈА



THE MACEDONIAN SYNDROME—The Chronic Crisis in Yugoslav-Bulgarian Relations

During the past four years Yugoslavia and Bulgaria have exchanged a torrent of invective over a seemingly obscure historical issue—the ethnic and linguistic ancestry of the peoples of the Yugoslav Republic of Macedonia. The Yugoslavs claim that all the clamor, when stripped of its academic pretensions, reveals a strident irredentism on the part of the Bulgarians.

For Sofia, the Macedonian question is a double-edged sword. On the one hand, it is exploited for domestic Bulgarian consumption, affording the regime the only safe outlet for Bulgarian nationalism without fear of intervention by Moscow. Not even the Yugoslavs believe that Sofia, at the present time, intends to retake Yugoslav Macedonia by force. On the other hand, it is equally clear that the Bulgarian leadership will be alert to any opportunity to loosen Belgrade's hold over Macedonia in the post-Tito era, and it has already prepared the way with strong claims of inherent rights in Macedonia.

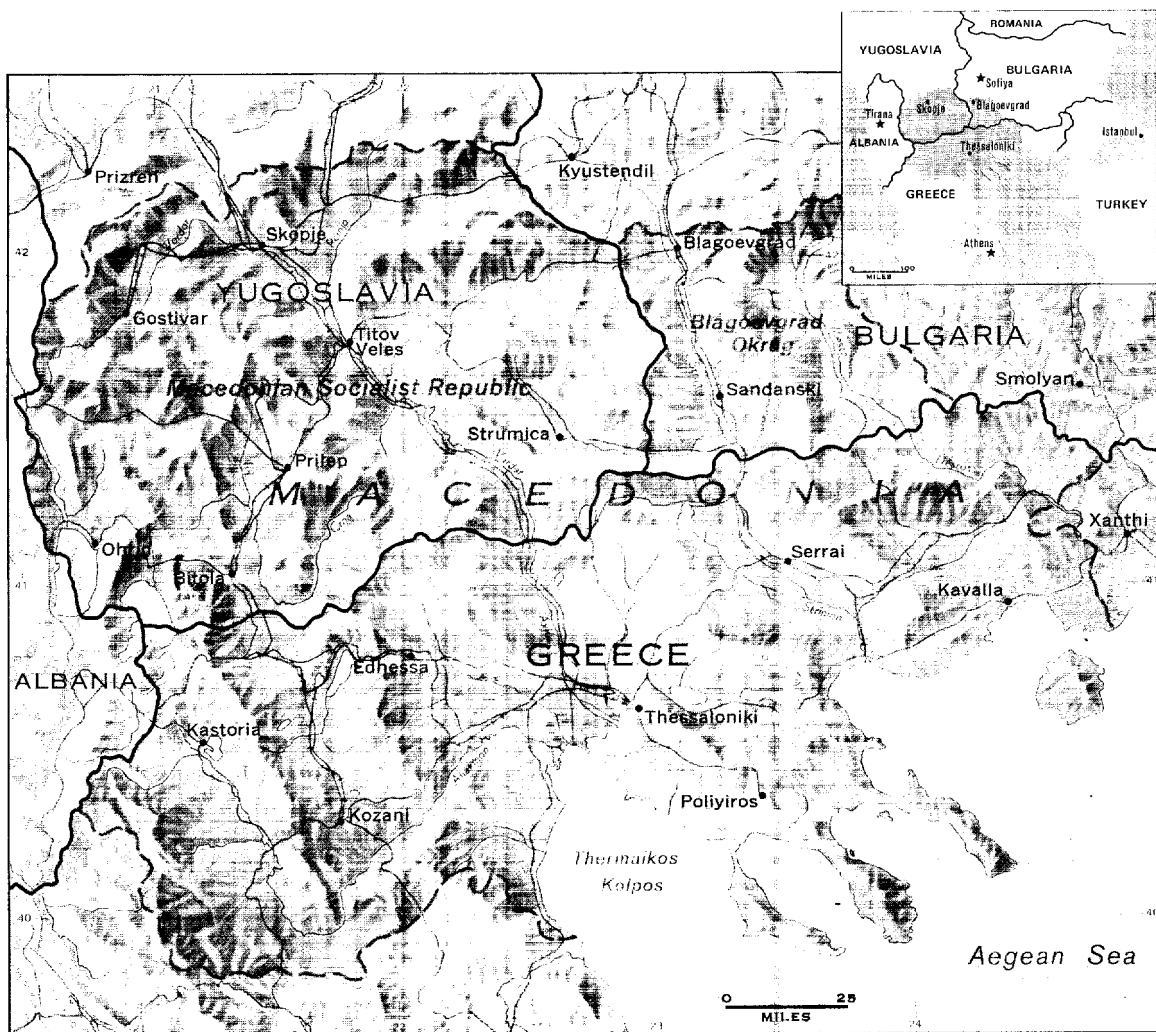
Yugoslavia looks on Bulgaria's refusal to recognize the existence of a separate Macedonian nationality as a potential threat to Yugoslav territorial integrity. The Yugoslavs have also recently become uneasy over what they consider the Kremlin's tacit approval of Sofia's claim that Macedonia is inhabited by Bulgarians. In Belgrade, for example, it has been noted that Bulgarian pressures in Macedonia have at times peaked when tensions have been unusually high between Belgrade and Moscow, as when Yugoslavia voiced its opposition to the Soviet-led occupation of Czechoslovakia in 1968.

The intensity of the Yugoslav reaction to the argument over Macedonia must be viewed against a backdrop of serious internal economic problems and the pending major governmental reorganization. There has been no attempt to hide the seriousness or magnitude of

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Yugoslavia
VARDAR MACEDONIA
 (Macedonian Socialist Republic)

Skopje

9,928

1,641,000
(1970 est.)

7.6

71.2

CAPITAL

AREA (sq. mi.)

POPULATION

PERCENT OF
NATIONAL
POPULATIONPERCENT OF REGION
ETHNIC
MACEDONIANS

Bulgaria
PIRIN MACEDONIA
 (Blagoevgrad Okrug)

Blagoevgrad

2,504

301,000
(1965 est.)

3.7

Official Bulgarian sources describe the Pirin population as only one-half of one percent Macedonians ... "the remainder consider themselves Bulgarians."

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Special Report

- 2 -

15 January 1971

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the problems that confront Yugoslavia, and Tito's age adds a note of urgency to the situation. In many respects, therefore, the Macedonian problem and Bulgaria's vague threat to regain the region are an intrinsic part of the succession problem. The Yugoslavs, most of whom wish to hold their federation together after Tito, are keeping an eye on the potential for political instability and disintegration that could come with Tito's passing, which Bulgaria might try to exploit.

To the Yugoslav leadership the dispute is not without its positive aspects. By overdramatizing the immediate threat, Belgrade apparently hopes to minimize internal dissension and rally support for the new federal system, as well as to keep world attention focused on Yugoslavia and on the "implied" Soviet threat.

Actually, the ebbs and flows of the Macedonian problem have not always reflected the status of Yugoslav-Soviet relations. Party and government boss Todor Zhivkov provoked the present crisis in late 1967 at a time when Belgrade and Moscow were on fairly good terms. Historically, the Macedonian question has always had something of a life of its own, reflecting traditional Balkan hostilities and Bulgarian and Yugoslav internal requirements, as well as the prevailing winds in the Eastern European political arena.

Through 1967 and early 1968, Bulgaria took the initiative in the dispute, promoting its claims to Macedonia. But in mid-1968, because of festering problems in the Kremlin's relations with Eastern Europe, the Soviets became active in the confrontation. Then, in late 1969, when both Moscow and Sofia desired a temporary abatement in the intensity of the dispute, the beleaguered Yugoslavs verbally threw down the gauntlet to their two antagonists and have been on the propaganda attack ever since. Thus the future direction of the Macedonian conflict depends now on the preferences of Belgrade.

1912—One of five wars in modern times over Macedonia

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Background

Bulgaria's campaign questions the Yugoslavs' right to sovereignty over Macedonia, one of the Yugoslav federation's six republics. Sofia claims that all Macedonians are really ethnic Bulgarians cut off from the motherland. This position predates the Communist era in Bulgaria. In 1878, the Treaty of San Stefano gave the modern Bulgarian state control of the lands of Macedonia for the first time. A few months later this territory was expropriated by the great powers and given to Serbia (now part of Yugoslavia). Most Bulgarian governments since then have continued to lay claim to this province, although since 1878, Sofia has held the land for a total of only four years.

Belgrade's commitment to a separate Macedonian republic within the Yugoslav state dates from the postwar establishment of the Communist regime. Tito's personal involvement in Macedonia goes back at least to January 1943. At that time he appealed to the Macedonians in Yugoslavia to fight for their independence and to seek national identity through self-determination, i.e., through the establishment of a Macedonian Republic in union with the Yugoslav peoples. Following World War II, Tito put his words into action and a separate Macedonian Republic was created in 1944 as an integral part of the Yugoslav federation. This republic did not include Pirin (Bulgarian Macedonia).

The Communists' seizure of power in both Bulgaria and Yugoslavia seemed to mark the end of the Macedonian issue as a point of contention between the two countries. Bulgarian party leaders condemned the actions of past Bulgarian governments in Macedonia and proclaimed the province an integral part of Yugoslavia. Belgrade and Sofia—stressing reconciliation—agreed in 1947 that, in the long run, a reunion of the Macedonian peoples might be possible.

The charismatic Yugoslav leader, however, had plans for a "greater" Macedonia. He pressed the concept of a larger Yugoslav-Bulgarian con-

federation headquartered in Belgrade. Sofia was receptive to the idea of forming a federation of "Southslavs" in the Balkans—the Dimitrov Plan—but balked at the suggestion that Pirin Macedonia be initially joined to its Yugoslav counterpart as a separate republic. For a time, Macedonians from Yugoslavia were even allowed to open schools and bookshops in Pirin, and the Yugoslav Macedonian-language newspaper was freely sold in Bulgaria.

Even after Tito's break with Stalin in 1948, when Bulgarian-Yugoslav relations also took a turn for the worse, there was no resurrection of past claims to Macedonia. This, however, may have been due to the fact that in the period between the executions of the Bulgarian national Communists in the 1950s and the emergence of the Zhivkov clique in the early 1960s, any expression of nationalism was looked upon with great suspicion in Bulgaria and the USSR.

There was some minor fencing over Macedonia between Belgrade and Sofia in the late 1950s, when the Bulgarians again began to remonstrate over the loss of this province after San Stefano. This vocalizing was usually limited to academic circles in both countries. Scholarly articles on Macedonia were exchanged by social scientists, who debated the true cultural and historical heritage of the people. In the course of the Tito-Zhivkov talks in 1963 and 1965, as well as in Zhivkov's discussions with Yugoslav Macedonian chief Crvenkovski in 1967, it was agreed that "these differences" should not be used as an excuse for polemics; rather, "experts should discuss them and establish the historical truth about them."

The Macedonian issue was revived in a campaign, not very well thought out, that Zhivkov launched in early 1965. The idea was to develop an ethos of patriotism and national spirit in the youth of the then emotionally stagnant country. The dispute over Macedonia became a key means of building national pride, which had been stifled by the Bulgarian Communist Party's subservience

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***Selected Boundary Changes,
1878-1970***

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Signing of Treaty of San Stefano, March 1878

to the Soviet Union. Studies were launched "analyzing" the past relationship of the Macedonian people to Bulgaria. The party re-evaluated its past stand on the Macedonian issue and concluded that it had taken an incorrect and "non-Leninist position" by dropping Bulgarian claims to Macedonia. The party then reasoned that "in doing so, Bulgaria had accepted foreign rule for an area that had a predominantly Bulgarian population." The head of the Bulgarian Writers' Union went so far in the autumn of 1966 as to deny the existence of a separate Macedonian language, concluding that it really was a variant of Bulgarian (a statement with which many Western linguists would agree). During the same year, a leading ethnographer publicly took exception to an article in a Soviet journal treating the Macedonians as a separate nation or people.

San Stefano Revived

By 1967 many Bulgarian academicians and politicians were engaged in turning out books and articles supporting the contention that Macedonia, belonged ethnically, historically, and spiritually to the Bulgarian nation. Long-dead irredentist authors and their works were "rediscovered" and republished.

In January 1967, Sofia celebrated the birthday of Gotse Delchev, a departed Macedonian patriot declared for the occasion to be a "Bulgarian patriot." In December, an article in the party newspaper by an eminent historian—commenting on the upcoming anniversary of the treaty of San Stefano—concluded that the pact

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was based on "generally recognized ethnographic frontiers of the Bulgarian people at that time." In Zhivkov's *Theses on Youth*, also published in December 1967, a whole chapter was devoted to the need for an expansion of patriotic education. Bulgarians, he said, do not make "sufficient use of our glorious historic past in order to educate the youth in a patriotic spirit." The Yugoslavs consider that the present Macedonian crisis dates from the winter of 1967, and accrued from these Bulgarian actions.

The dispute was raised to the level of official bilateral relations on 29 January 1968, when the Bulgarian ambassador in Belgrade was advised by the Yugoslav Foreign Ministry of the "harm" Sofia's pursuit of the Macedonian issue could have on relations between the two countries. Nevertheless, on the 90th anniversary of San Stefano, in February 1968, the Bulgars held a massive ceremony in Sofia, during which the participants lamented Bulgaria's loss of Macedonia.

After the San Stefano celebrations, neither side showed an inclination to let the issue drop; instead, outside events heated the quarrel to serious dimensions. The occupation of Czechoslovakia in 1968 increased Belgrade's suspicion of Soviet-Bulgarian collaboration on Macedonia. As Yugoslav support for the Dubcek regime continued throughout the spring and summer of 1968, the Kremlin became increasingly unhappy with Belgrade. At the same time, the Bulgarian communications media mounted a loud assault on the policies and programs of the League of Yugoslav Communists, and the threat of Bulgarian irredentism became real to Belgrade. In mid-1968, the Bulgarian military newspaper, echoing the Brezhnev Doctrine, announced that it was the "duty of the Warsaw Pact to help every country where socialism" was "in danger," implying that what was true for Czechoslovakia could also be true for Yugoslavia. In August, after the Czechoslovak invasion, a Bulgarian deputy minister of defense (who had fought alongside Tito as a partisan) pointedly reiterated the threat, stating that Bulgaria was ready to go "anywhere else" to rescue socialism.



Zhivkov Gives Speech Fostering Bulgarian Nationalism

An objective analysis of historical fact shows that Macedonia has never existed, ethnically or nationally, as a separate state. Macedonia is a geographical region, just as are Thrace, Moesia, Dobruja, and others. The name Macedonia is a geographical term which has undergone many and momentous changes . . .

The Bulgarian Communist Party and the People's Republic of Bulgaria recognize the existence of the Socialist Republic of Macedonia as a component part of the Socialist Federative Republic of Yugoslavia, and strive to strengthen their friendly ties with it. But the BCP and our country cannot ignore the fact that a stubborn policy of forceful denationalization of the Bulgarian population is being implemented in the Socialist Republic of Macedonia. Feelings of nationalist and great-nation chauvinism are being incited, for the purpose of turning the people in Macedonia against the Bulgarian nation.

The Macedonian Problem: Historical-Political Aspects Historical Institute, Bulgarian Academy of Sciences Sofia, November 1968

* * *

Our foreign policy in the Balkans is based on the fundamental idea that there should be no controversial questions among the Balkan countries, inherited from the past, which could not be solved peaceably by way of negotiations and protection of mutual interests. It is our position that emphasis must be placed on positive things which the Balkan countries have in common and which unite them, and not on the things which divide them.

Todor Zhivkov
April 1969

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Tito's open criticism of the events of August 1968 apparently prompted Zhivkov—undoubtedly with Soviet endorsement—to adopt an even stronger propaganda and diplomatic campaign against Yugoslavia. The polemics were primarily based on the Macedonian issue but they also contained hostile references to Yugoslav political and economic practices, emphasizing the social and economic problems of the country. It was naively hoped that the Bulgarian campaign would put enough pressure on Belgrade to distract the Yugoslavs from events in Prague and moderate their response to the invasion.

In November 1968, the Bulgarian Academy of Sciences, under party direction, issued a pamphlet claiming that Macedonia had never existed ethnically, nationally, or linguistically as a nation apart from Bulgaria. The publication stated that all Macedonians, even those in Yugoslavia, actually were Bulgarians. It denounced Belgrade for forcing the integration of the Macedonian people with the Yugoslavs, who were accused of wishing also to lay claim to the "Macedonians" living in Bulgaria. It said that Bulgaria would continue to seek a "constructive solution" to the Macedonian problem that would let Macedonia "freely determine and express its nationality and its national feelings," implying, of course, that these "national feelings" were Bulgarian. This tract was widely distributed in Bulgaria, was broadcast to Yugoslavia, and was circulated in Eastern Europe. Belgrade later reported that several people were arrested in Yugoslav Macedonia for distributing this "irredentist pamphlet."

The following month, in a further sign of their antipathy, Bulgarian leaders boycotted Yugoslav national day celebrations in Sofia, and rumors began circulating in Moscow that Pact maneuvers would soon be held in Bulgaria near the Yugoslav border. These stories inspired increased tensions in Yugoslavia. Polemics became vitriolic,

A contemporary dimension

was added to the dispute by Bulgaria's claims that it had liberated Macedonia in 1944—a claim Belgrade categorically denied but viewed as an implied threat.

In September 1969, it appeared that some progress might be made in the Macedonian dispute. Soviet Foreign Minister Andrey Gromyko first visited Yugoslavia, and the President of the Yugoslav National Assembly's Chamber of Nationalities, Mika Spiljak, then went to Sofia. Whether there was any connection between the two journeys is not known, but with things in Czechoslovakia then quiet, the Soviets apparently desired an aura of tranquility in East Europe. If so, little was accomplished, and the Spiljak mission proved a failure. The Yugoslavs, as they had in the past, demanded an end to the Bulgarians' campaign, but Zhivkov declared that he would discuss outstanding problems only with Tito. Spiljak, originally hopeful of compromise after the Gromyko trip, left Sofia "disgusted with the platitudes and generalities" into which the meeting had degenerated.

Despite the fiasco, the Bulgarians showed a willingness to discuss the problem. A meeting between the Yugoslav and Bulgarian foreign ministers at the UN, however, led to a disastrous visit by Bulgarian Foreign Minister Bashev to Belgrade in December 1969. This incredibly undiplomatic trip revealed that neither side was ready to moderate its stand. The talks nearly ended before they started when Bashev let it be known that Bulgaria was willing to renounce all territorial claims on Yugoslavia if Belgrade would admit that the Macedonians were ethnically Bulgarians. The proposal, which was of course rejected, only confirmed Belgrade's suspicion of Bulgaria's sinister designs on Yugoslav Macedonia.

Bulgarian Twists and Turns

In general, the old-line Bulgarian apparatchiks, who had severed rather close ties to the Yugoslav party in 1948, are still nervous about their independent neighbor and the residual

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The Greek Macedonia

*(according to 1961 official figures
 1/2 of 1%—41,017—of the Greek Population)*

Athens acknowledges the existence of a few "south Slavs" in its northern border areas, but considers the Macedonian minority problem "non-existent." Yugoslavia claims that a Macedonian minority does exist in Greece, and periodically makes reference to its suppression and forced assimilation by the national majority. Since the Athens-Sofia detente of 1964 Bulgaria has made no mention of the Macedonian minority in Greece, and apparently considers the issue closed.

common interests that might still prove attractive to some nationalistic Bulgarian party members. Sofia has never been comfortable about having Yugoslavia, an unorthodox yet successful Communist country, on its border, especially because of the sharp contrast it affords with Bulgaria's economic and political stagnation.

The Macedonian issue thus seems to have been contrived by the leadership partly to keep Yugoslavia and things Yugoslav at arm's length, and at the same time to rekindle a spirit of Bulgarian nationalism that could be useful to the regime. The nationalism campaign of 1966 fizzled out in two years, but the Macedonian issue has always had a character of its own, and has from time to time been exploited by Moscow. Certainly, Bulgaria's Macedonian policy was developed haphazardly and has moved ahead in an erratic fashion. Some of this can be ascribed to fluctuations in Soviet policy, but some of it must also be related to Sofia's political vicissitudes and ineptitudes in the pursuit of traditional Bulgarian foreign policy goals.

The vehement diplomatic and public responses from Yugoslavia over the Macedonian dispute—particularly after the Czechoslovak crisis—caused Sofia to hesitate and re-evaluate the direction and force of its Macedonian policy. This was

so partly because by early 1969 the Soviets were interested in reducing tensions in Eastern Europe. In March an editorial in the Bulgarian party newspaper disclaimed any territorial desires in Yugoslavia. This was followed by a public statement by First Deputy Premier Zhivko Zhivkov that his country "did not have any interest in land expansion."

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In April 1969, in a talk with Austrian journalists, Bulgarian Foreign Minister Bashev said Macedonia remained a "historical legacy" but concluded that it was not a "topical political matter." He accused unnamed "imperialist" circles for "fostering nationalist passions" in the Balkans.

For Belgrade, nevertheless, such platitudes were not reassuring, and Yugoslav propaganda continued to hammer away at the issue. In response, Bulgaria ended its moratorium on polemics in June 1969, though without making Macedonia the direct issue. Sofia's antipathy toward Tito's regime again surfaced, but it was directed at "revisionism" in Yugoslavia rather than at Macedonia. On 28 June, for example, the Bulgarian army paper stressed the "anti-Soviet" nature of Tito's programs and policies. A week later Zhivkov delivered an anti-Yugoslav speech in a similar vein. In July Yugoslav-Bulgarian relations took a further turn for the worse when Sofia restricted the traditional free movement of people from Yugoslav and Bulgarian border villages across the frontier.

Yugoslav Reaction

On 12 February 1969, Belgrade sent its second diplomatic note of protest within one year peppering Bulgaria for "fomenting an atmosphere of disquiet and tension in the Balkans." That same day acting Yugoslav Foreign Minister Miso Povicevic gave a speech in the Federal Assembly

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-- Two examples of Bulgarian Macedonian propaganda published in 1969. The first, a photo from *BULGARIA TODAY*, is from a story on how "the Bulgarians liberated Macedonia during the Second World War." The Yugoslavs call this a "transparent lie." The second example, a poem, is by a long dead Macedonian poet whom the Bulgars have brought back to "life" as a Bulgarian literary figure.

Macedonia, wondrous land,
Greek you shall never be;
For forests and woods and mountains,
Thy very stones,
Birds, and fish in the Vardar River,
All things on this earth
Will rise to their feet to declare
To the whole of Europe, the whole world:
"Bulgarian 'tis what I am,
And it is Bulgarians who inhabit this land."

*Minstrel at a County Fair, by
Rako Zhinzifov (circa 1850)*

in which he said Bulgarian policy could not be "understood any different than as the feeding of territorial pretensions toward integral parts of Yugoslavia." The League of Yugoslav Communists' newspaper expressed the fear that the Brezhnev Doctrine of "limited sovereignty" would be used as a justification for an invasion. In March 1969 over 2,000 people demonstrated in the Macedonian town of Ohrid, protesting against the Bulgarian "anti-Yugoslav campaign." By May, the Yugoslav deputy foreign minister spoke of a "Balkan confrontation," accusing the Bulgars of territorial aspirations, interfering in Yugoslav internal affairs, subversive propaganda, and planning to hold military maneuvers in border areas. The minister also reiterated the charge that a "third country" was influencing Bulgarian policy toward his country.

In the years since the occupation of Czechoslovakia, the Yugoslavs have become convinced that Moscow has a role in the Macedonian controversy. This was graphically illustrated in an

article of 25 November 1970 entitled "Ghosts of the Past," which appeared in both Belgrade's *Borba* and the Macedonian republic daily *Nova Makedonija*. The article accused Bulgaria of reviving bourgeois territorial claims to Macedonia (and parts of Serbia) as they existed under the treaty of San Stefano. Tsarist "Russia" is the real culprit, according to the two journals, because it "created the fiction of San Stefano Bulgaria." The Yugoslavs, however, have admitted that Soviet officials, in private discussions, have never supported Sofia's position on Macedonia.

Into the Seventies

For a brief period in the spring of 1970, the Bulgarian media gave Yugoslavia more positive treatment.

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Indeed, something new did seem to be in the offing, and in late June the Bulgarian press talked of all-Balkan cooperation and of improving relations with its neighbors, including Yugoslavia.

For the Yugoslavs, however, there could be no improvement until Sofia officially changed its stance on Macedonia. While Sofia talked of detente, the Macedonian government announced it had uncovered "increased foreign activity" of a hostile nature in the republic. Contrary to Sofia's expectations, the Yugoslavs interpreted Bulgarian statements on Balkan cooperation as a maneuver to embarrass them and to give the appearance that Belgrade was dragging its feet.

Nonetheless, in early July, Belgrade provocatively tested Bulgaria's "new" good will. Three normally routine documents—a 1971-75 economic protocol, a radio-TV protocol, and a border traffic agreement—were presented in the Macedonian language for Sofia's signature. The red-faced Bulgarians refused to sign, whereupon the Yugoslav press jumped on the issue, labeling the refusal "a revival of greater Bulgarian (claims) to sovereign Macedonian territory." In early August, the widely read Yugoslav weekly, *NIN*,

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accused Bulgaria of spreading Stalinist propaganda in Yugoslavia, as well as offering highly paid jobs to Bulgarians living in Serbia in an attempt to lure them across the border. The situation went from bad to worse; in September the Macedonian party central committee called home all Yugoslav-Macedonian students studying in Sofia because of hostile Bulgarian propaganda activity among them.

Three times during 1970 Bulgarian Premier Zhivkov requested a face-to-face meeting with President Tito to discuss major points of difference, but when representatives of the two countries finally met on 9 and 10 November in Sofia to lay the groundwork for such a meeting, the results were disastrous. As they had for the past year, the Bulgarians came to the meeting determined to achieve a facade of agreement by discussing noncontroversial subjects. But the Yugoslavs declared Macedonia the only major issue and stipulated that it be the core of any negotiations. Party Secretary Velchev, the chief of the Bulgarian delegation, then pulled a paper from his briefcase that had been prepared for such an eventuality. The Bulgarians were willing to concede that "a Macedonian state" had emerged after the second World War, but they rigidly insisted that the Macedonian people of this state were ethnically and culturally Bulgarian and that its territory was not conclusively defined. Velchev then declared that, although the present Bulgarian government now was ready to settle the Macedonian problem, he was not certain that the next generation of Bulgarians would be as willing. The chief of the Yugoslav delegation replied that this Bulgarian position negated a policy established by Bulgarian hero Georgi Dimitrov and the COMINTERN. Velchev's admission that this was so ended the discussions, and Yugoslav press polemics sharply increased. Furthermore, Yugoslav Macedonians—with government encouragement—began expressing their support for the "national aspirations" of their brothers in Bulgaria.

In spite of this dismal turn of events, there are indications that the two countries may yet



President Tito

Macedonian Chief
Crvenkovski

"Further progress has been made in our relations with our neighbors, except with the People's Republic of Bulgaria, with which, despite our efforts, regretfully, no such progress has been recorded."

Yugoslav President Tito in a foreign policy report submitted to all chambers of the Federal Assembly on 18 November 1970

"In order to be better able to understand what is hidden behind the resuscitation of the vampire of Bulgarian revanchism, we must ask ourselves what the Bulgarian claims are based on. There are three explanations: First, the internal crisis from which it is necessary to divert the attention of the public by making territorial claims against Yugoslavia. Second, the belief that the Yugoslav Federation will disintegrate and that this is a unique opportunity for Bulgaria to profit and third, that somebody else is hidden behind the Bulgarian claims, that is that the leadership of the neighboring country relies on somebody else's support.... Time will show how justified our doubts are, but, on the basis of everything that we now know, one should not expect any future change for the better in Bulgaria's policy toward Yugoslavia."

Noted Croatian commentator Milika Sundic in an interview with the Zagreb Domestic Service on 27 November 1970.

"The ghosts from the past must be buried forever—in other words) tendencies which until now have frequently been encouraged by other Balkan forces.... I believe that soon a perspective of a more progressive, modern Balkans will open up, a Balkans in which there will be full tolerance and complete respect for every national individuality."

Macedonian Party Executive Bureau member Krste Crvenkovski in an 18 December 1970 interview in the Yugoslav (Albanian language) publication Rilindja.

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come to terms.

ership over the present trends in Bulgarian policy on the Macedonian question.

Since then, Yugoslav press attacks on Bulgaria have subsided somewhat, although party meetings throughout the country continue their well-orchestrated denunciation of Bulgarian policy. Furthermore, Yugoslav party luminaries have, in the past month, spoken in a conciliatory manner about improving relations with their eastern neighbor.

This possibility was thought to have moved another step forward on 23 December, when President Tito interrupted his vacation on Brioni to receive the Bulgarian ambassador. But the Yugoslavs now say nothing productive came from these talks.

Since October the Bulgars have virtually ignored any invective coming from Yugoslavia and have continued to play for a meeting with Tito to codify some agreement to disagree. Recent public statements of the Sofia leaders have been peppered with calls for a Balkan rapprochement. In a probably related development, the most vociferous of the Bulgarian newspapers on the Macedonian problem, *Narodna Armija*, published by the Defense Ministry, was ordered discontinued as a daily and converted to a weekly in late December. The paper, however, has continued to appear on a daily basis, with no explanation of the sudden reversal in publication schedules. This could indicate some disagreement within the Sofia lead-



Zhivkov with Tito in Belgrade—1967



Last Talks—on Kremlin Wall—November 1967

Prospects for 1971

Todor Zhivkov's present self-abasement shows an uncommon willingness to improve the atmosphere. The Bulgarians have made so many concessions that about the only card they have left to play is to agree to a settlement or quietly

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to let the issue die—if the Yugoslavs will allow it. This suggests that perhaps the Yugoslavs are partly correct in assuming that the Soviets now have taken a hand in the matter, if only to try to cool the situation. It is difficult, however, to foresee formal repudiation by Bulgaria of its past Macedonian stand. Rather, a settlement could provide for a tempering of the more provocative elements of Sofia's position and a change in the tone and emphasis of Bulgarian propaganda to stress points of agreement between Belgrade and Sofia.

Belgrade now insists that prior to any rapprochement, Sofia must specifically recognize the existence of an ethnic Macedonian nation within Yugoslavia, demonstrate a willingness to allow

free expression of Macedonian national identity in Bulgarian Pirin, and publicly repudiate its position since 1967. If Zhivkov is serious about improving relations with Tito, he will have to accept the first of these terms. If Tito wishes to reciprocate, he probably will have to drop the last two demands.

Of course, such an arrangement would constitute no more than a return to the tacit arrangement that existed prior to 1967, and it would be quite embarrassing to Zhivkov at that. If such an agreement does take shape, it may be due more to a Soviet desire to avoid involvement in a Balkan territorial squabble than to a lessening of Sofia's nationalistic passions.



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